TRANSLINK

2012 First Quarter
Financial and Performance Report

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1. Executive Summary

The first quarter showed good results despite numerous challenges and the number of risks that exist. Overall, revenues were $329.6 million compared to $319.5 million in 2011, an increase of $10.1 million, and $4.2 million higher than the budgeted estimate. At $328.0 million expenditures increased $7.1 million, in part driven by contract increases and an increase cost of fuel, in the first quarter of 2012 compared to 2011, but came in $26.5 million under budget. Excess of revenue over expenses for the first quarter were $1.5 million which is $30.6 million better than budget. The cumulative funded reserve of $275.5 million is $13.3 million better than budget.

TransLink is facing significant risk related to its fuel tax revenues. Sales volumes within the region declined in 2011 and future revenues are expected to be significantly below those projected in the 2012 Moving Forward Supplement. The volatility in reporting this revenue makes it difficult to forecast on a monthly basis as adjustments can come up to 48 months after the initial reporting.

The timing of expenditures has contributed to the favourable variance to budget as some projects have shifted into the second quarter. There will be some savings as a result of delaying or scaling back on some activities and holding off on implementing some services until after the provincial review is completed and funding is secured. These savings should help offset some of the fuel tax deficiencies.

TransLink's overall performance rating by customers is maintained at record highs for the first quarter of 2012 which mirrored the same score of 7.7 from the previous year.

TransLink continues to use the balance scorecard framework to support its business planning process which aligns the organization around five strategic goals of Customer, Financial, Stakeholder, Internal Effectiveness and People. In order to support the goals TransLink identified four strategic priorities for 2012. Each strategic priority had several initiatives to be implemented throughout the organization during 2012. A summary of the activities related to these initiatives is included below.

Compass Card and Faregates

In 2012, the Compass Card change readiness assessments and stakeholder analysis were completed in the first quarter, while the change management plan and integrated communications and marketing plans has been scoped and drafted, with final completion and approval anticipated by the end of the second quarter.

The station construction program to prepare the TransLink stations for the installation of new fare collection equipment continued in the first quarter, with construction underway on the Expo Line, Millennium Line and Canada Line stations as well as the Lonsdale Quay SeaBus terminal. During the first quarter TransLink completed construction at eight Expo Line stations with several others to be completed by June 2012. TransLink expects to hand over eight stations per month to Cubic Transportation Systems (Cubic), to commence the installation of the new fare collection equipment

including faregates. Cubic has also completed the pre-wiring on 90 per cent of the buses in preparation for the installation of the new bus equipment anticipated in August 2012.

People

TransLink completed several initiatives which allowed the enterprise to closer align its internal processes throughout the organization. Some of these initiatives include the second phase of the transition of BCRTC on to the enterprise HR Information System (PeopleSoft) and the alignment of BCRTC with the Enterprise compensation model. TransLink fully implemented the enterprise-wide standardized compensation structure for exempt positions reflecting best practices.

Sustainable Funding

Discussions with the Mayors' Council and Provincial Government have not yet resulted in identifying sustainable revenue sources which will replace the temporary property tax. TransLink continues to be supportive of the Province and Mayors' Council in finding new, sustainable and revenue sources. In the meantime, TransLink is reviewing what it can afford to deliver within the current revenue streams. Efforts to combat fare evasion through increased fare inspections and fraudulent pass investigations continued to be a focus in the first quarter.

Technology Risk

During the first quarter of 2012, TransLink advanced on several IT security policies such as an update to its Acceptable Use Policy (approved by the Board of Directors in December 2011) and completion of the Payment Card Industry (PCI) Framework Policy to ensure that relevant elements of enterprise policies are at an acceptable standard for credit card processing activities.

<u>Activity on other initiatives included:</u>

TransLink's awareness campaign for the Golden Ears Bridge (GEB) lead to an increase of traffic volumes by 12 per cent compared to 2011 with traffic volumes exceeding 27,000 daily crossings. TransLink conducted several reviews to improve the GEB guide signs for clarity and the safety of motorists and cyclists.

The TravelSmart program held a series of presentations and workshops in the Metro Vancouver area educating the public in better transit usage and travel options. The TravelSmart Program presented to elementary schools, high schools, businesses, seniors and new immigrants. The TravelSmart.ca website had 509 new members sign on and 17,476 visitors, and the organization's Twitter had 78 new followers.

This is the first year of the 2012 Supplement Plan and Outlook. A phased approach for implementing new service was planned to provide the Province and Mayors' Council time to come up with a replacement funding source to the temporary property tax funding. A replacement has not yet been identified and the Mayors' Council have requested to withdraw the temporary property tax. TransLink is currently determining which supplemental projects and services can proceed without surety of funding. Discussions around access to new funding sources will resume after the completion of a Provincial audit of TransLink that is expected to complete in August.

In the first quarter TransLink's Commissioner ruled on the 2013 fare increase that was approved in the 2010 Funding Stabilization Plan. The ruling rejected the supplemental increase above the allowable 2 per cent per annum, reducing the projected fare revenues assumed for 2013 onwards. The Commissioner identified thirty six areas of opportunities to improve efficiency and effectiveness of which TransLink has either already implemented or has actions underway in all but three.

Given the economic environment TransLink faces, efforts for the remainder of 2012 will focus on proceeding in a prudent and cost effective manner while maximizing existing revenues as TransLink directs its resources towards evaluating the Commissioner's recommendations, completing the Provincial audit and developing and incorporating the results into the development of the 2013-2015 Plan.

2. Financial and Operating Summary

QUARTER ENDED MARCH 31

(all numbers in thousands except per unit calculations)

	Q1 YTD 2011	Q1 YTD 2012	Fav/(Unfav) to 2011	Q1 2012 Budget	Fav/(Unfav) to Budget
FINANCIAL PERFORMANCE					
Revenue	319,509	329,571	10,062	325,394	4,177
Expenditures	320,908	328,024	(7,116)	354,483	26,459
Excess (deficiency) of revenue over expenses	(1,399)	1,547	2,946	(29,089)	30,636
FINANCIAL INDICATORS					
Cumulative funded surplus [1]	320,363	275,489	(44,874)	262,238	13,251
Capital assets	4,499,374	4,393,343	(106,031)	-	-
Net long-term debt (bonds, debentures) [2]	1,680,427	1,852,375	(171,948)	-	-
Deferred concessionaire credits and GEB contractor liability [3]	1,686,212	1,683,073	3,139	-	-
Total net long-term debt [4]	3,366,639	3,535,448	(168,809)	-	-
Gross interest cost as a % of operating revenue	13.7%	12.9%	0.8%	-	-
OPERATING INDICATORS					
Scheduled Transit Service					
Overall Performance Rating (out of 10)	7.7	7.7	-	7.7	-
Revenue passengers	54,885	58,632	3,747	57,598	1,034
Service hours	1,570	1,595	25	1,599	(5)
Operating Cost Recovery	52.6%	52.2%	(0.4%)	48.4%	3.8%
Operating cost per revenue passenger	$ 3.66	$ 3.65	$ 0.01	$ 3.89	$ 0.24
Operating cost per service hour	$ 128.06	$ 134.27	$ (6.21)	$ 140.18	$ 5.91
Boardings per service hour	53.1	55.8	2.6	54.2	1.6
Complaints per 1 million boarded passengers	84.9	74.6	10.3	78.0	3.4
Passenger kilometres	647,851	694,547	46,696	679,682	14,865
Operating cost per passenger kilometre	$ 0.310	$ 0.308	$ 0.002	$ 0.330	$ 0.022
Operating cost per passenger kilometre (excluding energy)	$ 0.286	$ 0.282	$ 0.004	$ 0.303	$ 0.021
Capacity kilometres	2,602,106	2,680,307	78,201	2,694,556	(14,249)
Operating cost per capacity kilometre	$ 0.077	$ 0.080	$ (0.003)	$ 0.083	$ 0.003
Utilization (passenger kilometres per capacity kilometres)	24.9%	25.9%	1.0%	25.2%	0.7%
Access Transit Service					
Revenue passengers	353	351	(2)	351	-
Service hours	150	150	-	152	(2)
Operating cost per revenue passenger	$ 33.62	$ 33.91	$ (0.29)	$ 34.47	$ 0.56
Operating cost per service hour	$ 78.99	$ 79.64	$ (0.65)	$ 79.90	$ 0.26
Boardings per service hour	2.57	2.57	-	2.54	0.03
Complaints per 1 million boarded passengers	783.0	919.1	(136.1)	787.5	(131.6)
Passenger kilometres	1,878	1,908	30	1,907	1
Operating cost per passenger kilometre	$ 6.32	$ 6.24	$ 0.08	$ 6.35	$ 0.11
Operating cost per passenger kilometre (excluding energy)	$ 5.99	$ 5.85	$ 0.14	$ 5.96	$ 0.11
Golden Ears Bridge					
Crossings	2,162	2,425	263	2,379	46
Average toll per crossing	$ 3.46	$ 3.63	$ 0.17	$ 3.55	$ 0.08

[1] The cumulative funded surplus as calculated under the SCBCTA Act is the amount of resources available to fund future operations.

[2] Balance includes debt reserve deposits an debt sinking funds.

[3] Includes deferred concessionaire credits and Golden Ears Bridge contractor liability

[4] Net Long-term debt + deferred concessionaire credits and GEB contractor liability.

Operating Indicators

Conventional System

In comparing the first quarter results with the budget, all cost measures are showing a favourable variance. Operating costs are lower than budgeted, while ridership results are higher.

A contractual increase in the Canada Line service costs of 12.9% in 2012 contributed to the cost per kilometre service hour and per capacity kilometre, which are up by 4.8 per cent and 3.9 per cent respectively over 2011.

Service hours were up versus 2011 as the 2012 Moving Supplement included additional bus hours in the first quarter to address the areas overcrowding and service reliability hours and SkyTrain added 17.4 per cent additional peak service to relieve overcrowding.

Access Transit

The first quarter of 2012 actual results compared to target shows a favourable variance in all operating cost measures however complaints and passenger injuries are higher than target. The majority of passenger injuries were minor in nature.

Complaints per million boarded passengers are up 136.1 over 2011. Complaints are related to 'service availability' which includes greater adherence by the contractor to budgeted service hours and taxi usage with a minor increase to service demand leading to an increase in trip denials/refusals.

3. Consolidated Statement of Operations Analysis

Consolidated Revenues

Consolidated Revenues	Q1 YTD 2011	Q1 YTD 2012	Year over Year Change	Year over Year %	Q1 Budget 2012	Budget Variance Fav./ (Unfav.)	Budget Variance %
Taxation	169,867	169,865	(2)	(0.0%)	169,064	801	0.5%
Transit	105,744	111,999	6,255	5.9%	109,146	2,853	2.6%
Golden Ears Bridge Tolls	7,477	8,797	1,320	17.7%	8,444	353	4.2%
Emissions Testing	4,737	5,160	423	8.9%	4,903	257	5.2%
Transfers from other governments	20,281	20,746	465	2.3%	21,222	(476)	(2.2%)
Amortization of deferred concessionaire credit	5,704	5,802	98	1.7%	5,650	152	2.7%
Interest Income	5,699	7,202	1,503	26.4%	6,966	236	3.4%
PSAB/GAAP Total	319,509	329,571	10,062	3.1%	325,395	4,176	1.3%
Funding Adjustments:							
Emissions Testing	(4,737)	(5,160)	(423)	(8.9%)	(4,903)	(257)	(5.2%)
Transfers from other governments	(15,530)	(15,927)	(397)	(2.6%)	(16,470)	543	3.3%
Amortization of deferred concessionaire credit	(5,704)	(5,802)	(98)	(1.7%)	(5,650)	(152)	(2.7%)
Interest Income	(4,988)	(6,279)	(1,291)	(25.9%)	(6,062)	(217)	(3.6%)
Funded Total	288,550	296,403	7,853	2.7%	292,310	4,093	1.4%

Overview

Total revenues for the first quarter of 2012 were $10.1 million (3.1 per cent) greater than the first quarter of 2011. Transit revenues make up the majority of the increase. Revenues are forecasted to be on target at the end of the year.

Taxation

Taxation Revenues	Q1 YTD 2011	Q1 YTD 2012	Year over Year Change	Year over Year %	Q1 Budget 2012	Budget Variance Fav./ (Unfav.)	Budget Variance %
Fuel tax	78,885	75,976	(2,909)	(3.7%)	75,178	798	1.1%
Property and replacement tax	73,961	76,358	2,397	3.2%	76,392	(34)	(0.0%)
Parking rights tax	12,305	12,787	482	3.9%	12,700	87	0.7%
Hydro levy	4,716	4,744	28	0.6%	4,794	(50)	(1.0%)
Total taxation	169,867	169,865	(2)	(0.0%)	169,064	801	0.5%

Under the South Coast British Columbia Transportation Authority (SCBCTA) Act, TransLink is permitted to raise revenues by means of taxes, including fuel tax, property and replacement tax, hydro levy and parking rights tax.

Fuel tax revenues decreased by $2.9 million (3.7 per cent) in the first quarter of 2012 compared to the same period of 2011. Retail sales volume trends from other sources confirm that fuel volume sales are lower than last year. The Q1 results are $0.8 million greater than budget however with the volatility in reporting, it is anticipated that credit adjustments will be forthcoming. TransLink is facing significant risks on fuel tax revenues with high fuel prices and increased tax rates from $0.12 in 2009 to $0.15 in 2010 and $0.17 effective April 1, 2012.

Property tax revenue increased by $2.4 million (3.2 per cent) over 2011.

Parking rights taxes increased by $0.5 million (3.9 per cent) as a result of an increase in the number of registered parking vendors which grew from 458 in the first quarter of 2011 to 536 in 2012.

Transit

Transit Revenues	Q1 YTD 2011	Q1 YTD 2012	Year over Year Change	Year over Year %	Q1 Budget 2012	Budget Variance Fav./ (Unfav.)	Budget Variance %
Transit - fares							
Farebox	24,281	24,972	691	2.8%	24,784	188	0.8%
Prepaid fares	60,538	61,650	1,112	1.8%	58,570	3,080	5.3%
Prepaid contract	18,115	22,417	4,302	23.7%	23,037	(620)	(2.7%)
Total transit fares	102,934	109,039	6,105	5.9%	106,391	2,648	2.5%
Transit - other	2,810	2,960	150	5.3%	2,755	205	7.4%
Total transit revenue	105,744	111,999	6,255	5.9%	109,146	2,853	2.6%
Ridership							
Boarded passengers	83,802	89,331	5,529	6.6%	87,033	2,298	2.6%
Revenue passengers	55,238	58,984	3,746	6.8%	57,950	1,034	1.8%
Average fare per revenue passenger	$ 1.87	$ 1.85	$ (0.02)	(1.1%)	$ 1.84	$ 0.01	0.5%

Transit revenues consist of transit fares and other revenues such as advertising. Transit revenues increased by $6.3 million (5.9 per cent) compared to the first quarter of 2011.

Transit fares, comprising farebox, prepaid fares and prepaid contract revenues, contributed $6.1 million (5.9 per cent) of the increase. U-Pass BC Program revenue was $4.1 million higher as there were four more schools on the U-Pass BC Program in the first quarter of 2012 than at the same time in 2011. Employer Pass Program revenue increased by $0.6 million mainly due to a 10.1 per cent increase in the number of active pass holders from the first quarter of 2011 to 2012. Increased fare inspection and an estimated 6.8 per cent growth in ridership contributed to the remaining $1.4 million transit fare revenue increase.

Transit revenue was $2.9 million (2.6 per cent) above budget of which $2.6 million was attributed to transit fares. This favourable fare variance is forecasted to remain to the end of 2012. Contributing to

the favourable variance was an estimated 1.8 per cent higher growth in ridership and increased fare inspection. This was partially offset by lower than budgeted revenue from the Government Bus Pass Program for which negotiations are ongoing; revenues recorded in 2012 are based on the expired contract terms.

Golden Ears Bridge Tolls

Toll revenue increased $1.3 million (17.7 per cent) over 2011. Traffic volumes grew 12.2 per cent continuing the trend of increasing travel over the bridge. There were approximately 2.4 million toll crossings for the first quarter of 2012 compared to 2.1 million toll crossings for the same period last year. Also contributing to increase were inflationary increases in the toll rates between $0.05 and $0.15 per crossing effective July 15, 2011.

Toll revenue was $0.4 million (4.2 per cent) above budget. The favourable variance was due to 46 thousand additional toll crossings compared to budget as well as variances in the distribution of the traffic by the classification type and account type, resulting in an average toll rate of $3.63 compared to $3.55 assumed in the budget. The forecast is for toll revenue to be on target at the end of 2012.

Emissions Testing

Revenues have increased by $0.4 million (8.9 per cent) due to more biennial inspections in the first quarter of 2012 compared to 2011. With a significant portion of the test fleet on a biennial test schedule, the year over year revenues will vary. Revenue is $0.3 million (5.2 per cent) above budget in first quarter of 2012 due to 5,995 (5.9 per cent) more tests than expected.

Government Transfers

Three quarters of this funding is restricted to purchasing capital assets while the remainder is provincial funding towards the Canada Line operators. All variances are related to timing of projects and funding received.

Interest Income

Increased interest income of $1.5 million (26.4 per cent) over 2011 can be attributed to the increased contribution to sinking funds (2011 contributions of $111 million).

Interest income was higher than budgeted as the proceeds of the February 2012 $100 million 40-year bond issue was placed into the debt sinking funds to pay down higher interest rate debt.

Funding Adjustments

Funding adjustments are the changes required to the income statement to calculate the cumulative funded surplus under the SCBCTA Act, which is defined as the amount of resources available to fund future operations.

Consolidated Expenses by Segment

Consolidated Expenditures by Segment	Q1 YTD 2011	Q1 YTD 2012	Year over Year Change	Year over Year %	Q1 Budget 2012	Budget Variance Fav./ (Unfav.)	Budget Variance %
AirCare	4,690	4,124	(566)	(12.1%)	4,311	187	4.3%
Bus division	145,394	149,056	3,662	2.5%	153,488	4,432	2.9%
Corporate	12,932	16,356	3,424	26.5%	19,513	3,157	16.2%
Rail division	54,560	58,260	3,700	6.8%	59,985	1,725	2.9%
Roads & Bridges	17,549	11,950	(5,599)	(31.9%)	27,725	15,775	56.9%
Transit Police	5,941	6,259	318	5.4%	7,201	942	13.1%
Depreciation and Interest	79,842	82,019	2,177	2.7%	82,262	243	0.3%
PSAB/GAAP Total	320,908	328,024	7,116	2.2%	354,485	26,461	7.5%
Funding Adjustments:							
AirCare	(4,782)	(4,124)	658	13.8%	(4,368)	(244)	(5.6%)
Corporate	(25)	(20)	5	20.0%	-	20	N/A
Roads & Bridges	(6,272)	(491)	5,781	92.2%	(15,861)	(15,370)	(96.9%)
Depreciation and Interest	(51,244)	(52,615)	(1,371)	(2.7%)	(53,884)	(1,269)	(2.4%)
Debt Repayment	23,356	24,043	687	2.9%	23,868	(175)	(0.7%)
GEB Capital Payments	9,864	13,493	3,629	36.8%	13,550	57	0.4%
Funded Total	291,805	308,310	16,505	5.7%	317,790	9,480	3.0%

Overview

Total Expenditures for the first quarter of 2012 increased by $7.1 million (2.2 per cent) over 2011. A favorable variance of $26.5 million (7.5 per cent) to budget resulted mainly from lower expenditures for Roads and Bridges. Expenditures are forecasted to be $7.5 million below budget at the end of the year.

AirCare

Expenditures were $0.6 million (12.1 per cent) lower in the first quarter of 2012 compared to 2011 mainly due to a fee reduction on the one-year contract extension with Envirotest Canada. Total expenditures were $0.2 million (4.3 per cent) below budget. The majority of this favourable variance is the result of administration cost savings.

Bus Division

Operating expenditures were $3.7 million (2.5 per cent) higher in 2012 but were $4.4 million (2.9 per cent) favourable to budget. Fuel and power costs have increased with a rise in diesel prices and electricity rates and the additional service kilometres from the 2012 Supplemental service implemented late December 2011. For 2012 diesel prices have been slightly lower than budgeted. Maintenance costs were higher than prior year and budget due to required fare-box repairs and higher service kilometres. The farebox ticket processing units are experiencing problems with dispensing and handling tickets, and the coin processing units are experiencing wear and tear. Labour costs were up from 2011 due to

increased service hours, pay-rate step increases and higher WorkSafe and other employer -paid benefit costs. Salaries and wages were favourable to budget because of lower than budgeted average pay rates due to new hires, lower overtime and position vacancies.

The bus division expects to be under budget for 2012 by $4.9 million in part due to the impact of the deferral of the planned summer and fall 2012 Supplemental service changes, impending labour, training and fuel costs.

Rail Division

The Rail division's operating cost was $58.3 million for the first quarter of 2012, compared to $54.6 million in the same period of 2011, an increase of $3.7 million (6.8 per cent). The increase is primarily due to the Canada Line concessionaire agreement, increased wages and benefits from both merit adjustments and the collective agreement ratified in April 2011, increased lease costs for the West Coast Express bi-level passenger cars, and higher diesel fuel and hydro costs.

The Rail division's operating cost for the first quarter of 2012 was below budget by $1.7 million (2.9 per cent). The favourable variance was in maintenance, recoveries of salaries, wages and benefits from capital projects and MKII warranty work, lower than expected wages from maintenance and administration positions that remained vacant through the first quarter, and the Canada Line performance payment.

For fiscal 2012, the Rail Division expects results to be slightly below budget by $0.8 million primarily due to maintenance activities and delays in filling vacant positions.

Corporate

Operating expenditures at $16.4 million were $3.4 million (26.5 per cent) higher than 2011. The main variance categories include a $1.7 million increase in salaries, wages and benefits. This is due to merit and length of service increases, a three per cent contractual increase for COPE employees, salary adjustments to reflect market conditions, and annualization of staff resulting from the implementation of the 2011 initiatives. Computers and systems costs were $0.7 million higher in 2012 due to increased licensing fees and networking costs related to improvements in network performance. Professional fees were $1.2 million higher in 2012 due to the 2045 transportation plan costs, the Golden Ears Bridge interoperability costs and other various planning related costs.

Operating expenditures were $3.2 million (16.2 per cent) under budget for the first quarter of 2012. Savings of $1.2 million have been realized due to vacant positions. Further savings will be realized for the balance of 2012 as all vacant positions will be subject to further review before proceeding with hiring. The balance of the favourable variance relates to timing differences (on professional fee costs, marketing costs related to the Compass Card, computers and systems costs and training related costs).

Transit Police

Overall Transit Police expenditures were $6.3 million in 2012, an increase of $0.3 million (5.4 per cent) compared to the previous year. Salary costs was the major factor in the increase due to a 3 per cent wage increase for COPE members in 2011 and wage increases due to length of service. Administration costs were up slightly from last year as a result of paying for radio communication equipment (EComm) a month earlier in 2012.

During the first quarter of 2012 a favourable variance of $0.9 million (13.1 per cent) occurred compared to budget. The favourable variance can be mainly attributed to $0.6 million savings in salary costs due to staff vacancies, sworn members on long-term disability and overtime costs being under budget. Transit Police expects further salary savings over the next few months until the injured sworn members return to work.

Consolidated Expenses by Category

Consolidated Expenditures by Category	Q1 YTD 2011	Q1 YTD 2012	Year over Year Change	Year over Year %	Q1 Budget 2012	Budget Variance Fav./ (Unfav.)	Budget Variance %
Administration	4,877	5,064	187	3.8%	7,286	2,222	30.5%
AirCare	4,690	4,124	(566)	(12.1%)	4,368	244	5.6%
Amortization of Capital Assets	37,285	38,096	811	2.2%	39,579	1,483	3.7%
Capital Infrastructure contributions	6,272	491	(5,781)	(92.2%)	15,861	15,370	96.9%
Contracted Services	42,872	45,897	3,025	7.1%	46,249	352	0.8%
Fuel and Power	16,410	19,000	2,590	15.8%	19,651	651	3.3%
Insurance	4,801	4,584	(217)	(4.5%)	5,009	425	8.5%
Interest	42,557	43,922	1,365	3.2%	42,627	(1,295)	(3.0%)
Maintenance, Materials and Utilities	26,015	26,701	686	2.6%	28,423	1,722	6.1%
Professional and Legal	1,470	2,396	926	63.0%	3,503	1,107	31.6%
Rentals, Leases and Property Tax	9,237	8,948	(289)	(3.1%)	9,196	248	2.7%
Salaries, Wages and Benefits	125,954	129,236	3,282	2.6%	134,155	4,919	3.7%
Other Recoveries	(1,556)	(675)	881	56.6%	(1,422)	(747)	(52.5%)
Loss(gain) on disposal of tangible assets	24	240	216	900.0%	-	(240)	N/A
PSAB/GAAP Total	320,908	328,024	7,116	2.2%	354,485	26,461	7.5%
Funding Adjustments:							
AirCare	(4,782)	(4,124)	658	13.8%	(4,368)	(244)	(5.6%)
Amortization of Capital Assets	(34,935)	(35,976)	(1,041)	(3.0%)	(37,272)	(1,296)	(3.5%)
Government Funding Admin	(25)	(20)	5	20.0%		20	N/A
Interest	(16,309)	(16,639)	(330)	(2.0%)	(16,612)	27	0.2%
GEB Capital Payments	9,864	13,493	3,629	36.8%	13,550	57	0.4%
MRN Capital Funding	(6,272)	(491)	5,781	92.2%	(15,861)	(15,370)	(96.9%)
Principle Repayments	23,356	24,043	687	2.9%	23,868	(175)	(0.7%)
Debt Repayment Reserves	-	-	-	-	-	-	N/A
Funded Total	291,805	308,310	16,505	5.7%	317,790	9,480	3.0%

Administration

Costs are under budget by $2.2 million (30.5 per cent), these are timing issues related to marketing, research, training and computer and systems costs.

Capital Infrastructure contributions

Infrastructure payments were $15.4 million (96.9 per cent) lower than budget and $5.8 million (92.2 per cent) lower than in the previous year. The variances are timing issues related to municipal contributions. The municipalities govern when the work is done in their jurisdiction and when they invoice TransLink for reimbursement. Contributions are not recorded until the municipalities provide TransLink with an invoice.

Contracted Services

Contracted services increased in 2012 by $3.0 million (7.1 per cent) primarily due to the contractual increase for Canada Line service.

Fuel and Power

Slightly lower budgeted diesel prices have resulted in a favourable variance compared to budget of $0.7 million (3.3 per cent). Compared to 2011 fuel and power is up $2.6 million (15.8 per cent) due to a rise in diesel prices along with increased kilometres for the Bus Division resulting from implementation of the first wave of the 2012 Supplemental service.

Interest

Higher debt levels have increased the interest expense over 2011 by $1.4 million (3.2 per cent). Also, interest is $1.3 million (3.0 per cent) unfavorable compared to budget because of a combination of factors. The earlier than budgeted debt issue of $100 million in February 2012 resulted in a $0.6 million unfavourable variance (offset by higher interest income) and lower than budgeted Interest during construction (IDC) of $0.8 million. The lower than budgeted IDC was caused by lower than budgeted capital spending.

Maintenance, Materials and Utilities

Maintenance, materials and utilities are under budget by $1.7 million (6.7 per cent). The Rail Division is forecasting that some maintenance programs scheduled for 2012 are not being carried out. Within the Bus Division, increased farebox repairs were required which put the materials over budget. This was offset by timing issues of vehicle, grounds, and building maintenance costs, which will be incurred later in the year.

Professional and Legal

Professional fees are lower than budget by $1.1 million (31.6 per cent) due to timing differences and higher compared to the previous year due to costs incurred for the 2045 Transportation Plan and the Golden Ears Bridge interoperability project.

Salaries, Wages and Benefits

Salaries, wages and benefits increased by $3.3 million (2.6 per cent) in the first quarter of 2012 compared to 2011. The increase can be attributed to merit, length of service, contractual increases for COPE employees and WCB costs.

Salaries, wages and benefits were lower than budget by $4.9 million (3.7 per cent). This can be attributed to lower than budgeted average pay rates for bus division employees due to new hires, position vacancies and lower overtime hours.

4. Investment in Capital Assets

Capital Program Summary – March 31, 2012

($ amounts in thousands)

Description	Number of Projects	Original Budget	Current Budget	Forecast Final Cost	Funding	Net Cost	Spent prior to 2012	Projects Closed or Removed	Spent in 2012	Spent to Mar 31, 2012	Forecast 2012 Spend
All Active Projects	134	1,426,259	1,467,528	1,440,003	657,016	782,987	901,201	(24,799)	21,090	922,291	317,719
Less: Substantially Complete	(45)	(523,158)	(550,671)	(544,400)	(186,218)	(358,182)	(533,591)		(834)	(534,424)	(9,976)
Active Projects (excl Substantially Complete)	89	903,101	916,857	895,603	470,798	424,805	367,610	(24,799)	20,256	387,866	307,743
Add: 2012 AiP Projects	78	577,974	577,974	577,974	104,643	473,331					143,457
Total Capital Program (excl Substantially Complete)	**167**	**1,481,075**	**1,494,831**	**1,473,577**	**575,441**	**898,136**	**367,610**	**(24,799)**	**20,256**	**387,866**	**451,200**

Closed Projects

A total of 8 projects with a total cost of $24.8 million were completed and closed in the first quarter of 2012.

Substantially Complete Projects

A total of 45 projects with a cost of $534.4 million were deemed substantially complete and in the final stages of project activity with approximately $10.0 million to be spent in 2012.

Active Projects (excluding substantially complete)

($ amounts in thousands)

	Number of Projects	Original Budget	Current Budget	Opening Bal. Jan 1/12	2012 YTD Actual Costs	Actual Costs to Date	2012 Forecast	Project Forecast Total	Variance to Current Budget	External Funding
Equipment	7	19,276	18,992	8,094	20	8,114	8,708	17,881	1,111	
Facilities	19	196,458	189,694	49,748	925	50,673	32,187	188,348	1,345	89,006
Infrastructure	26	348,948	368,703	97,969	15,002	112,971	183,679	356,526	12,176	160,971
Major Construction	2	341	341	1,204	(49)	1,155	(814)	341	(0)	
Minor Capital Account	1	700	8,974	102	56	158	1,688	8,882	92	
Technology Applications	23	32,965	35,893	8,609	1,799	10,408	16,266	34,471	1,421	3,843
Vehicle - Non Revenue	-	2,502	2,502	613	294	907	800	2,432	70	
Vehicle - Other Revenue	6	16,989	19,755	1,914	1,921	3,836	14,492	18,972	783	16,561
Vehicle Conventional Revenue	5	284,923	272,005	199,357	288	199,645	50,736	267,749	4,256	200,417
Total Active Projects	**89**	**903,101**	**916,857**	**367,610**	**20,256**	**387,866**	**307,743**	**895,603**	**21,254**	**470,798**

As at March 31, 2012, the active project variance of $21.3 million was primarily made up of the following projects with variances greater than $0.5 million:

Equipment: Variance of $1.1 million

The major components of the $1.1 million variance are primarily due to CCTV Cameras on buses (project 0613) being under budget by $1.0 million due to savings in system development costs and unused contingency.

Infrastructure: Variance of $12.2 million

The major components of the $12.2 million variance are primarily due to the following:

- The Canada Line Bus Loops (project 0620) is expected to be under budget by $4.7 million primarily due to the cancellation of Brighouse bus loop and unused contingencies.

- The first phase of the Broadway SkyTrain Station Upgrade (project 0830) is expected to be under budget by $4.1 million primarily due to savings in contract award due to the downturn of the construction industry, savings resulting from supervision expenditures being lower than anticipated, and unused contingency.

- The Marine Drive Trolley Overhead Extension (project 0423) is expected to be under budget by $0.9 million as it is currently on hold pending executive direction.

- The Kingsway Trolley Overhead Rectifier Station Building Envelope Rehabilitation (project 1003) is expected to be under budget by $1.4 million due to savings in contract award, savings in project management, and unused contingency.

Vehicles – Conventional Revenue: Variance $4.3 million

The major components of the $4.3 million variance are primarily due to the following:

- $1.9 million related to the expansion of 34 additional Mark II SkyTrain Vehicles (project 0628) due to savings in vehicle procurement and consulting contracts and savings in vehicle testing and factory audit costs.

- Mark II SkyTrain Vehicles Expansion – First Option (project 0814) due to savings in vehicle procurement and unused contingency.

- West Coast Express Fleet and Facility Expansion (project 0914) due to savings in vehicle procurement and unused contingency.

Approval in Principle Projects

At the period ending March 31, 2012 there were 89 projects that had not yet started totaling $578.0 million. The largest project is the Evergreen Line contribution of $375 million.

The remaining projects consist mainly of $65 million for Rail Division improvements such as vehicle overhauls and refurbishments and $113 million for Bus Division improvements such as facilities upgrades and bus replacements.

5. Changes in Financial Position

($ thousands)

	March 31, 2012	December 31, 2011	Variance	% Change	Explanation for Change
Financial Assets					
Cash	59,661	94,290	(34,629)	-36.7%	Cash used to fund operations and capital spending.
Accounts receivable	148,720	79,059	69,661	88.1%	The increase was mainly related to the property tax and replacement tax for 2012 which are accrued on a monthly basis. The tax instalment will be received from the municipal governments by August 2012.
Restricted cash and investments	292,854	295,926	(3,072)	-1.0%	Funds released to pay for eligible capital projects net of interest earned.
Investments	112,884	128,311	(15,427)	-12.0%	Investments used to fund operations and capital spending net of interest earned
Debt reserve deposits	42,565	42,250	315	0.7%	Interest earned and reinvested in these funds
Debt sinking funds	663,895	558,889	105,006	18.8%	Increase represents the proceeds from the TransLink $100 million 40-year bond inssuance which was earmarked to refinance certain existing MFA debt due in Dec 2012, June 2013 and Oct 2013.
Liabilities					
Accounts payable and accrued liabilities	191,092	180,563	10,529	5.8%	Increase primarily reflects accruals for long term bond interests which are due for payment in April 2012. The increase is partially offset by payments on capital projects.
Debt	2,558,835	2,459,778	99,057	4.0%	TransLink issued a $100 million 40-year bond in February 2012.
Deferred government transfer	1,164,434	1,179,353	(14,919)	-1.3%	The deferred government transfer balance primarily represents the unearned portion of government funding due to (i) funds not yet been spent or (ii) the stipulation to hold the assets over pre-defined period. The change in the balance represents the portion of funding earned by meeting the stipulated holding period for the asset.
Employee future benefits	69,169	67,144	2,025	3.0%	Increase represents accrual for employee future benefits. Information related to the post-retirement and post employment plans can be found in note 8 of the 2011 audited financial statements.
Deferred concessionaire credits	659,750	665,552	(5,802)	-0.9%	The balance represents funding provided by the Concessionaire to the Canada Line Project in exchange for the right to operate. This is a non-cash balance which is amortized over the concession term which ends July 2040.
Golden Ears Bridge contractor liability	1,023,323	1,020,150	3,173	0.3%	The Golden Ears Bridge contractor liability represents a fixed-price contract with the GEB contractor to construct, finance, operate, maintain and rehabilitate the GEB Bridge. The balance increased because the interest expense exceeds the payments in the early years. The liability is setup so that principal payments commence during 2015.
Deferred lease inducements - net	446	446	-		Not material
Non-Financial Assets					
Tangible capital assets	$ 4,393,343	$ 4,426,404	$ (33,061)	-0.7%	Please see Consolidated Statement of Cashflows.
Supplies inventory	$ 40,278	$ 39,434	$ 844	2.1%	Increases in BCRTC and CMBC inventories.
Prepaid expenses	$ 13,425	$ 7,452	$ 5,973	80.2%	Change reflects timing in the insurance payments and amortization of prepaid expenses.

6. Cash Flows and Liquidity

The operating cash outflow for the first quarter of 2012 was $41.0 million as the property taxes are accrued (receivable on August 1st) and payment of year-end accruals. This outflow plus $5 million in sinking fund interest earned (non-cash revenue) and $5.3 million in net capital spending was funded by a $50.0 million draw on cash and investments.

TransLink's liquidity at March 31, 2012 included $59.7 million in cash and $112.9 million in near cash investments (money market mutual funds and money market instruments maturing within 30-days). In addition, TransLink has only $90 million of its $500 million Commercial Paper program outstanding.

7. Changes in Net Financial Liability

In February 2012 a $100 million 40-year bond was issued and the full proceeds of this issue was transferred into TransLink's self-administered sinking funds and the investment has been earmarked solely for the repayment of three MFA debentures at their next renewal dates.

8. Appendices and Consolidated Financial Statements

Schedule 1 Consolidated Financial Statements

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Financial Position
(in thousands of dollars)

March 31, 2012, with December 31, 2011 comparative figures

	March 31, 2012	December 31, 2011
Financial Assets		
Cash	$ 59,661	$ 94,290
Accounts receivable	148,720	79,059
Restricted cash and investments	292,854	295,926
Investments	112,884	128,311
Debt reserve deposits	42,565	42,250
Debt sinking funds	663,895	558,889
	1,320,579	1,198,725
Liabilities		
Accounts payable and accrued liabilities	191,092	180,563
Debt	2,558,835	2,459,778
Deferred government transfer	1,164,434	1,179,353
Employee future benefits	69,169	67,144
Deferred concessionaire credits	659,750	665,552
Golden Ears Bridge contractor liability	1,023,323	1,020,150
Deferred lease inducements - net	446	446
	5,667,049	5,572,986
Net Debt	(4,346,470)	(4,374,261)
Non-Financial Assets		
Tangible capital assets	$ 4,393,343	$ 4,426,404
Supplies inventory	40,278	39,434
Prepaid expenses	13,425	7,452
	4,447,046	4,473,290
Accumulated surplus	$ 100,576	$ 99,029

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Operations
(in thousands of dollars)

Three months ended March 31, 2012, with comparative figures for 2011

	2012 Budget	2012 Actual	2011 Actual
Revenue:			
Taxation	$ 169,064	$ 169,865	$ 169,867
Transit	109,146	111,999	105,744
Golden Ears Bridge tollings	8,444	8,797	7,477
Emissions testing	4,903	5,160	4,737
Government transfers	21,221	20,746	20,281
Amortization of deferred concessionaire credit	5,650	5,802	5,704
Interest income	6,966	7,202	5,699
	325,394	329,571	319,509
Expenses:			
Aircare	4,368	4,124	4,783
Bus division	187,164	182,618	178,262
Corporate	20,897	17,789	14,853
Rail division	81,721	79,928	75,006
Roads & Bridges	53,125	37,300	42,057
Transit Police	7,208	6,265	5,947
	354,483	328,024	320,908
(Deficit) surplus for the period	(29,089)	1,547	(1,399)
Accumulated surplus, beginning of year	151,501	99,029	151,501
Accumulated surplus, end of period	$ 122,412	$ 100,576	$ 150,102

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Changes in Net Financial Liabilities
(in thousands of dollars)

Three months ended March 31, 2012, with comparative figures for 2011

	2012 Actual	2011 Actual
Surplus (deficit) for the period	$ 1,547	$ (1,399)
Acquisition of tangible capital assets	(10,216)	(10,454)
Amortization of tangible capital assets	38,096	37,285
Loss on disposal of tangible capital assets	240	24
Net proceeds on disposal of tangible capital assets	4,941	2,725
	33,061	29,580
Change in supplies inventories	(844)	472
Change in prepaid expenses	(5,973)	(3,845)
	(6,817)	(3,373)
Decrease in net debt	27,791	24,808
Net debt, beginning of year	(4,374,261)	(4,390,593)
Net debt, end of period	$ (4,346,470)	$ (4,365,785)

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Cash Flows
(in thousands of dollars)

Three months ended March 31, 2012, with comparative figures for 2011

	2012	2011
Cash provided by (used for):		
Operating Transactions:		
Excess (deficit) for the period	$ 1,547	$ (1,399)
Non-cash charges to operations	21,414	23,805
Changes in non-cash operating working capital	(63,924)	(69,465)
Net change in cash from operating transactions	(40,963)	(47,059)
Capital Transactions:		
Purchase of capital assets funded by government transfers	(4,101)	(3,734)
Purchase of capital assets	(6,115)	(6,720)
Net proceeds from disposal of capital assets	4,941	2,725
Net change in cash from capital transactions	(5,275)	(7,729)
Investing Transactions:		
Decrease (increase) in restricted cash and investments	3,072	(120,259)
Decrease (increase) in investments	15,427	24,729
Increase in debt reserve deposits	(315)	(302)
Net change in cash from investing transactions	18,184	(95,832)
Financing Transactions:		
Debt proceeds	100,000	-
Issue costs on financing	(1,569)	(412)
Contributions to debt sinking funds	(105,006)	(4,988)
Lease inducements received - net	-	750
Government transfers received for capital additions	-	123,993
Net change in cash from financing transactions	(6,575)	119,343
Decrease in cash	(34,629)	(31,277)
Cash, beginning of period	94,290	106,770
Cash, end of period	$ 59,661	$ 75,493
Supplementary information:		
Interest paid	$ 13,917	$ 10,389

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Cash Flows (continued)
(in thousands of dollars)

Three months ended March 31, 2012, with comparative figures for 2011

	2012	2011
Non-cash charges to operations:		
Amortization of capital assets	$ 38,096	$ 37,285
Amortization of bond discount	363	486
Amortization of debt issue cost	263	251
Amortization of deferred concessionaire credits	(5,802)	(5,704)
Amortizaton of deferred government transfers	(14,919)	(14,967)
Interest accretion on contractor liability	3,173	6,430
Loss on disposal of tangible capital assets	240	24
	$ 21,414	$ 23,805
Changes in non-cash operating working capital:		
Increase in accounts receivable	$ (69,661)	$ (61,449)
(Increase) decrease in supplies inventory	(844)	472
Increase in prepaid expenses	(5,973)	(3,845)
Increase (decrease) in accounts payable and accrued liabilities	10,529	(7,080)
Employee future benefit payable	2,025	2,437
	$ (63,924)	$ (69,465)

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY
Segment Report
Three months ended March 31, 2012, with comparative figures for 2011

	Aircare	Bus division	Corporate	Rail division	Road & Bridge	Transit Police	2012	2011
Revenues								
Taxation	$ -	$ -	$ 169,865	$ -	$ -	$ -	$ 169,865	$ 169,867
Transit	-	-	111,999	-	-	-	111,999	105,744
Golden Ears Bridge tolling	-	-	8,797	-	-	-	8,797	7,477
Emissions testing	5,160	-	-	-	-	-	5,160	4,737
Government transfers	-	-	20,746	-	-	-	20,746	20,281
Amortization of deferred concessionaire credit	-	-	5,802	-	-	-	5,802	5,704
Interest income	-	-	7,202	-	-	-	7,202	5,699
	5,160	-	324,411	-	-	-	329,571	319,509
Expenses								
Administration	68	1,284	2,606	535	37	355	4,885	4,732
Capital infrastructure contributions	-	-	-	-	491	-	491	6,272
Contracted services	3,727	15,603	-	30,226	2,581	-	52,137	49,521
Amortization of capital assets	-	19,555	1,270	12,627	4,641	3	38,096	37,285
Fuel & power	-	14,367	9	3,343	-	21	17,740	15,497
Insurance	2	3,052	41	1,043	274	10	4,422	4,661
Interest	-	14,007	909	9,042	19,962	3	43,923	42,558
Maintenance, materials and utilities	1	12,408	104	3,814	8,522	155	25,004	24,274
Professional & legal	4	125	1,803	349	85	82	2,448	1,496
Rentals, leases and property tax	34	3,795	1,679	3,194	40	239	8,981	9,271
Salaries, wages and benefits	288	98,422	9,128	15,755	667	5,397	129,657	125,317
Loss on disposal of tangible capital assets	-	-	240	-	-	-	240	24
	4,124	182,618	17,789	79,928	37,300	6,265	328,024	320,908
(Deficit) surplus for the period	$ 1,036	$(182,618)	$ 306,622	$ (79,928)	$ (37,300)	$ (6,265)	$ 1,547	$ (1,399)

Funded Statement of Operations

TransLink (Excluding AirCare)
2012 Revenue and Expenditure Summary Statement
On a Funding Basis
$000's

A. Revenues and Expenditures

($000's)	Q1 YTD 2011	Q1 YTD 2012	Change over 2011	Q1 2012 Budget	Fav/(Unfav) to Budget
Revenues					
Transit	105,744	111,999	6,255	109,146	2,853
Golden Ears Bridge Tolls	7,477	8,797	1,320	8,444	353
Taxation					
Fuel	78,884	75,976	(2,908)	75,178	798
Property	69,461	71,858	2,397	71,892	(34)
Hydro Levy	4,716	4,744	28	4,794	(50)
Parking Sales	12,305	12,787	482	12,700	87
Replacement Tax	4,500	4,500	-	4,500	-
Total Taxation	**169,866**	**169,865**	**(1)**	**169,064**	**801**
Interest Income	712	923	211	904	19
Senior Government Operating Contributions	4,751	4,799	48	4,751	48
Total Revenues	**288,550**	**296,383**	**7,833**	**292,309**	**4,074**
Expenditures					
Roads & Bridges					
Major Road Network Operations	8,496	8,519	23	8,923	404
Golden Ears Bridge Operations	2,781	2,939	158	2,941	2
Albion Ferry	114	-	(114)	95	95
Total Roads & Bridges	**11,391**	**11,458**	**134**	**11,959**	**501**
Transit					
Bus Division					
Coast Mountain Bus Company	128,291	132,658	4,367	136,637	3,979
Access Transit	11,872	11,906	34	12,114	208
Other Contractors	4,520	4,796	276	4,737	(59)
Total Bus Division	**144,683**	**149,360**	**4,715**	**153,488**	**4,128**
Rail Division					
Expo and Millenium Lines	23,824	24,262	438	25,751	1,489
West coast Express	7,147	7,394	247	7,357	(37)
Canada Line	23,549	26,604	3,055	26,877	273
Total Rail Division	**54,520**	**58,260**	**3,932**	**59,985**	**1,725**
Total Transit	**199,203**	**207,620**	**8,417**	**213,473**	**5,853**
TransLink	**11,880**	**16,097**	4,217	**19,418**	**3,321**
Transit Police	**5,941**	**6,259**	318	**7,201**	**942**
Provision for Contingencies and Reinvestments	-	-	-	-	-
Interest Expense	**26,248**	**27,283**	1,035	**26,015**	**(1,268)**
Depreciation Expense	**2,257**	**2,120**	(137)	**2,307**	**187**
Debt Repayment	**23,356**	**24,043**	687	**23,868**	**(175)**
GEB Capital Payments	**9,864**	**13,493**	3,629	**13,550**	**57**
Total Expenditures	**290,140**	**308,373**	**18,233**	**317,791**	**9,418**
Annual Surplus/(Deficit) before other items	**(1,590)**	**(11,990)**	**(10,400)**	**(25,482)**	**13,492**
Other items					
Loss on disposal of capital assets	24	240	216	-	(240)
Annual Surplus/(Deficit) before AirCare	**(1,614)**	**(12,230)**	**(10,616)**	**(25,482)**	**13,252**

B. Cumulative Funded Surplus

Opening Balance	**321,976**	**287,720**	**(34,256)**	**287,720**	-
Surplus / (Deficit) for the year	(1,614)	(12,230)	(10,616)	(25,482)	13,252
Closing Balance	**320,362**	**275,490**	**(44,872)**	**262,238**	**13,252**

Appendix 1 Bus Operations

BUS DIVISION	Q1 2011 Actual	Q1 2012 Actual	Variance to Actual	Q1 2012 Target	Variance to Target
CONVENTIONAL TRANSIT (BUS)					
Customer					
Overall performance rating out of 10	7.6	7.6	-	7.6	-
Complaints per 1 m boarded passengers	115.3	99.4	15.9	115.4	16.0
Preventable collisions per million kms.	8.7	7.9	0.8	7.6	(0.3)
Passenger injuries per 1 million boarded passengers	3.67	3.33	0.34	-	-
Perception of Safety (On-Board & At stops and exchanges) out of 10	8.3	8.3	-	8.5	(0.2)
Delivered service hours/scheduled	99.81%	99.71%	(0.10%)	99.50%	0.21%
Internal Effectiveness					
Operating cost per passenger km.	$0.379	$0.363	$0.016	$0.386	$0.023
Operating cost (excluding energy) per passenger km.	$0.342	$0.323	$0.019	$0.343	$0.020
Operating Cost per capacity kilometre	$0.111	$0.113	($0.002)	$0.116	$0.003
Boardings per service hour	44.8	47.3	2.5	45.6	1.7
Utilization (Passenger Kms./Capacity Kms.)	28.2%	30.2%	2.0%	29.1%	1.1%
Mean distance between vehicle failures	27,996	28,581	585	26,276	2,305
People					
Lost time frequency (per 200,000 hours worked)	7.01	4.23	2.78	6.00	1.77
Service Statistics					
Service Hours	1,228,772	1,244,663	15,891	1,246,521	(1,858)
Service Kilometres	23,822,171	24,198,779	376,608	24,256,440	(57,661)
Boarded Passengers	55,051,649	58,862,255	3,810,606	56,783,602	2,078,653
CMBC					
Customer					
Overall performance rating out of 10	7.6	7.6	-	7.6	-
Complaints per 1 m boarded passengers	116.6	100	16.6	119.2	19.2
Preventable collisions per million kms.	9.0	7.8	1.2	8.0	0.2
Passenger injuries per 1 million boarded passengers	3.76	3.43	0.33	-	-
Perception of Safety (On-Board & At stops and exchanges) out of 10	8.3	8.3	-	8.5	(0.2)
Delivered service hours/scheduled	99.80%	99.70%	(0.10%)	99.50%	0.20%
Internal Effectiveness					
Operating cost per passenger km.	$0.381	$0.364	$0.017	$0.389	$0.025
Operating cost (excluding energy) per passenger km.	$0.344	$0.325	$0.019	$0.347	$0.022
Operating Cost per capacity kilometre	$0.112	$0.114	($0.002)	$0.129	$0.015
Boardings per service hour	45.3	47.7	2.4	46.1	1.6
Utilization (Passenger Kms./Capacity Kms.)	28.2%	30.2%	2.0%	29.0%	1.2%
Mean distance between vehicle failures	27,996	28,581	585	26,276	2,305
People					
Lost time frequency (per 200,000 hours worked)	7.01	4.23	2.78	5.60	1.37
Service Statistics					
Service Hours	1,173,578	1,189,408	15,830	1,191,440	(2,032)
Service Kilometres	22,600,129	22,986,153	386,024	23,026,640	(40,487)
Boarded Passengers	53,149,560	56,792,239	3,642,679	54,956,605	1,835,634

BUS DIVISION (Continued)	Q1 2011 Actual	Q1 2012 Actual	Variance to Actual	Q1 2012 Target	Variance to Target
CONTRACTED SERVICES					
Customer					
Overall performance rating out of 10	8.0	8.2	0.2	-	-
Complaints per 1 m boarded passengers	78.9	84.5	(5.6)	-	-
Preventable collisions per million kms.	4.1	8.2	(4.1)	-	-
Passenger injuries per 1 million boarded passengers	1.05	0.48	0.57	-	-
Perception of Safety (On-Board & At stops and exchanges) out of 10	9.0	8.5	(0.5)	-	-
Delivered service hours/scheduled	99.89%	99.95%	0.06%	99.95%	0.00%
Internal Effectiveness					
Operating cost per passenger km.	$0.330	$0.334	($0.004)	$0.310	($0.024)
Operating cost (excluding energy) per passenger km.	$0.282	$0.281	$0.001	$0.262	($0.019)
Operating Cost per capacity kilometre	$0.096	$0.103	($0.007)	$0.101	($0.002)
Boardings per service hour	34.5	37.5	3.0	33.2	4.3
Utilization (Passenger Kms./Capacity Kms.)	29.1%	30.7%	1.6%	32.4%	(1.7%)
Mean distance between vehicle failures	81,470	24,747	(56,723)	-	-
Service Statistics					
Service Hours	55,194	55,255	61	55,081	174
Service Kilometres	1,222,043	1,212,626	(9,417)	1,229,800	(17,174)
Boarded Passengers	1,902,089	2,070,016	167,927	1,826,997	243,019
ACCESS TRANSIT					
Customer					
Overall performance rating out of 10	8.0	8.4	0.4	-	-
Complaints per 1 m boarded passengers	783.0	919.1	(136.1)	787.5	(131.6)
Preventable collisions per million kms.	29.1	13.8	15.3	-	-
Passenger injuries per 1 million boarded passengers	20.67	26.04	(5.37)	18.19	(7.85)
Perception of Safety (On-Board & At stops and exchanges) out of 10	9.1	8.6	(0.5)	-	-
Delivered service hours/scheduled	99.86%	99.96%	0.10%	99.95%	0.01%
Internal Effectiveness					
Operating cost per passenger km.	$6.321	$6.241	$0.080	$6.353	$0.112
Operating cost (excluding energy) per passenger km.	$5.986	$5.849	$0.137	$5.964	$0.115
Boardings per service hour	2.57	2.57	-	2.54	0.03
Service Statistics					
Service Hours	150,287	149,502	(785)	151,621	(2,119)
Service Kilometres	2,540,055	2,532,607	(7,448)	2,518,800	13,807
Boarded Passengers	386,988	384,062	(2,926)	384,743	(681)

Appendix 2 Rail Operations

RAIL DIVISION	Q1 2011 Actual	Q1 2012 Actual	Variance to Actual	Q1 2012 Target	Variance to Target
TOTAL RAIL					
Customer					
Overall performance rating out of 10	8.3	8.5	0.2	8.3	0.2
Complaints per 1 m boarded passengers	11.1	10.6	0.5	8.6	(2.0)
On-time performance % (within 2 minutes) Expo/Millenium	95.1%	95.9%	0.8%	94.5%	1.4%
On-time performance % (within 5 minutes) WCE	97.4%	96.1%	(1.3%)	97.7%	(1.6%)
Collisions and derailments per million kms.	0	0	-	0	-
Passenger injuries per 1 million boarded passengers	33.0	34.0	(1.0)	-	-
Perception of Safety (On-Board & At stops and exchanges) out of 10	8.0	8.1	0.1	7.5	0.6
Internal Effectiveness					
Operating cost per passenger km.	$0.168	$0.169	($0.001)	$0.176	$0.007
Operating cost (excluding energy) per passenger km.	$0.161	$0.161	$0.000	$0.168	$0.007
Operating Cost per capacity kilometre	$0.037	$0.038	($0.001)	$0.039	$0.001
Boardings per service hour	83.2	85.9	2.7	84.7	1.2
Utilization (Passenger Kms./Capacity Kms.)	22.1%	22.2%	0.1%	21.9%	0.3%
Mean distance between vehicle failures	726,752	1,040,249	313,497	535,110	505,139
Overall mystery shopper score	93.4%	92.2%	(1.2%)	93.2%	(1.0%)
People					
Lost time frequency (per 200,000 hours worked)	4.75	1.55	3.20	2.80	1.25
Service Statistics					
Service Hours	341,072	350,147	9,075	352,762	(2,615)
Service Kilometres	13,463,194	13,804,438	341,244	13,907,953	(103,515)
Boarded Passengers	28,362,879	30,085,158	1,722,279	29,864,925	220,233
West Coast Express					
Customer					
Overall performance rating out of 10	8.3	8.6	0.3	8.3	0.3
Complaints per 1 m boarded passengers	136.4	162.1	(25.7)	149.3	(12.8)
Service reliability (% service hours delivered)	99.7%	100.0%	0.3%	99.9%	0.1%
On-time performance within 5 minutes	97.4%	96.1%	(1.3%)	97.7%	(1.6%)
Collisions & Derailments per million kms.	0	0	-	0	-
Passenger injuries per 1 million boarded passengers	0	0	-	0.97	0.97
Perception of Safety (On-Board & At stops and exchanges) out of 10					
Internal Effectiveness					
Operating cost per passenger km.	$0.186	$0.177	$0.009	$0.186	$0.009
Operating cost (excluding energy) per passenger km.	$0.173	$0.162	$0.011	$0.170	$0.008
Operating Cost per capacity kilometre	$0.084	$0.083	$0.001	$0.086	$0.003
Boardings per service hour	66.0	71.4	5.4	69.3	2.1
Utilization (Passenger Kms./Capacity Kms.)	45.4%	46.9%	1.5%	46.0%	0.9%
Mean distance between vehicle failures	352,666	352,665	(1.0)	235,110	117,555
Overall mystery shopper score	91.7%	86.3%	(5.4%)	90.0%	(3.7%)
People					
Lost time frequency (per 200,000 hours worked)	0	0	-	0	-
Service Statistics					
Service Hours	10,884	10,537	(347)	10,639	(102)
Service Kilometres	384,564	379,226	(5,338)	378,468	758
Boarded Passengers	718,229	752,542	34,313	736,925	15,617

RAIL DIVISION (Continued)	Q1 2011 Actual	Q1 2012 Actual	Variance to Actual	Q1 2012 Target	Variance to Target
Expo & Millenium Line					
Customer					
Overall performance rating out of 10	8.2	8.2	-	8.3	(0.1)
Complaints per 1 m boarded passengers	4.6	4.5	0.1	5.0	0.5
On-time performance %	95.1%	95.9%	0.8%	94.5%	1.4%
Collisions & Derailments per million kms.	0	0	-	0	-
Passenger injuries per 1 million boarded passengers	1.78	1.77	0.01	1.20	(0.57)
Perception of Safety (On-Board & At stops and exchanges) out of 10	7.7	7.8	0.1	7.5	0.3
Internal Effectiveness					
Operating cost per passenger km.	$0.126	$0.123	$0.003	$0.131	$0.008
Operating cost (excluding energy) per passenger km.	$0.115	$0.112	$0.003	$0.119	$0.007
Operating Cost per capacity kilometre	$0.022	$0.021	$0.001	$0.023	$0.002
Boardings per service hour	64.4	66.0	1.6	65.4	0.6
Utilization (Passenger Kms./Capacity Kms.)	17.4%	17.4%	0.0%	17.2%	0.2%
Mean distance between vehicle failures	374,086	687,585	313,499	300,000	387,585
Overall mystery shopper score	93.2%	94.8%	1.6%	91.0%	3.8%
People					
Lost time frequency (per 200,000 hours worked)	4.75	1.55	3.20	2.80	1.25
Service Statistics					
Service Hours	287,212	290,846	3,634	293,434	(2,588)
Service Kilometres	11,574,645	11,721,097	146,452	11,825,370	(104,273)
Boarded Passengers	18,505,973	19,207,964	701,991	19,193,000	14,964
Canada Line					
Customer					
Overall performance rating out of 10	8.6	8.8	0.2	8.3	0.5
Complaints per 1 m boarded passengers	14.4	11.0	3.4	5.0	(6.0)
Perception of Safety (On-Board & At stops and exchanges) out of 10	8.6	8.6	-	7.5	1.1
Internal Effectiveness					
Operating cost per passenger km.	$0.250	$0.255	($0.005)	$0.263	$0.008
Operating Cost per capacity kilometre	$0.094	$0.093	$0.001	$0.094	$0.001
Boardings per service hour	212.6	207.6	(5.0)	204.1	3.5
Utilization (Passenger Kms./Capacity Kms.)	37.5%	36.6%	(0.9%)	36.0%	0.6%
Contract adherence monitoring	95.5%	95.5%	-	98.5%	(3.0%)
Service Statistics					
Service Hours	42,975	48,765	5,790	48,689	76
Service Kilometres	1,503,985	1,704,115	200,130	1,704,115	-
Boarded Passengers	9,138,677	10,124,652	985,975	9,935,000	189,652

Caution Regarding Forward-Looking Statements

From time to time, TransLink makes written and/or oral forward looking statements, including in this document, and in other communications. In addition, representatives of TransLink may make forward-looking statements orally to analysts, the media and others.

Forward-looking statements, by their nature, require TransLink to make assumptions and are subject to inherent risk and uncertainties. In light of the uncertainty related to the financial, economic and regulatory environments, such risks and uncertainties, many of which are beyond TransLink's control, and the effects of which can be difficult to predict, may cause actual results to differ materially from the expectations expressed in the forward-looking statements.